

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN DAVE LEWIS**, on January 24, 2003 at 3:00 P.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Dave Lewis, Chairman (R)  
Rep. Rosalie (Rosie) Buzzas, Vice Chairman (D)  
Rep. Edith Clark, Vice Chairman (R)  
Rep. John Brueggeman (R)  
Rep. Tim Callahan (D)  
Rep. Stanley (Stan) Fisher (R)  
Rep. Eve Franklin (D)  
Rep. Dick Haines (R)  
Rep. Donald L. Hedges (R)  
Rep. Joey Jayne (D)  
Rep. Carol C. Juneau (D)  
Rep. Dave Kasten (R)  
Rep. Christine Kaufmann (D)  
Rep. Monica Lindeen (D)  
Rep. John Musgrove (D)  
Rep. Jeff Pattison (R)  
Rep. Rick Ripley (R)  
Rep. John Sinrud (R)  
Rep. John Witt (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Jon Moe, Legislative Branch  
Mary Lou Schmitz, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: HB 60, 1/21/2003  
Executive Action: None

**HEARING ON HB 60**

**Sponsor:** REP. JOE MC KENNEY, HD 49, Great Falls

**Opening Statement by Sponsor:**

**REP. MC KENNEY** said this bill was requested by the Board of Public Education and the Montana School for the Deaf and Blind. The bill is an act prohibiting the Governor from directing a reduction in spending for the Montana School for the Deaf and Blind in the event of a projected General Fund budget deficit.

He referred to Page 2, line 19, Current Law Exemptions. Like the BASE funding for the public school system, line 17, the Montana School for the Deaf and Blind serves a very special need. It is a State school funded almost entirely by General Fund dollars. He is asking to give the School for the Deaf and Blind the same funding protection that was done for K-12 system in times of budget reductions.

**Proponents' Testimony:**

**Steve Gettel, Superintendent of the Montana Deaf and Blind, Great Falls,** said the reason they are asking that the law be changed, is because the school itself receives about 90% of its funding through General Fund. When the fund balance drops below 10% the Governor needs to look at reducing State Agency budgets. He is asking for the Committee's consideration and a Do Pass for HB 60.

**Jeff Weldon, Legal Counsel, Superintendent of Public Instruction,** said the key point is that the Board of Public Education is not under the authority of the Superintendent so that the authority of the Board of Public Education which acts as a Board of Trustees for the School. He works very closely with **Mr. Gettel** and thinks they have an outstanding program.

**Ronda Carpenter, Great Falls Chamber of Commerce,** said they recognize what an asset the Montana School for the Deaf and Blind is not only to their own community but the entire State. These special needs children deserve to be protected from budget cuts in the same way that the other K-12 children are.

**Erik Burke, MEA/MFT,** said the bill addresses a concern that came up just before the Special Session. They realize they are asking for a special exemption for the School for the Deaf and Blind but think it is justified, not only because it is something that's related to what is given other schools but because of the special

nature of the School for the Deaf and Blind in general. They are a residential program. When there is a cut in their budget it affects that program as well as the other programs that they provide.

**REP. WITT** spoke of the efficiency in running a school system and suggested every committee member visit the School for the Deaf and Blind.

**REP. CALLAHAN** said he is a Representative from Great Falls and knows first hand the good work the School does.

**REP. FRANKLIN** and **REP. RIPLEY** would like to be included as Proponents for this bill.

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

In response to a question from **REP. KAUFMANN, REP. MC KENNEY** referred to these times of budget deficits, setting priorities and certainly making some cuts, and if K-12 wasn't already protected, he wouldn't be here. That is the difference. By protecting K-12, he feels there are greater needs for the School for the Deaf and Blind.

**REP. HEDGES** said, "The list of exemptions have been on the books for some time. Why hasn't the School for the Deaf and Blind been added earlier?" **Mr. Gettel** said they have never made this request before and he doesn't know why.

**REP. FISHER** said he has one concern and that is if they start exempting organizations no matter how worthy, and this is certainly one of the more worthy organizations that is run well, he would rather not establish a precedent.

**REP. KASTEN** asked **Mr. Gettel** if the school gets Special Education Funding. **Mr. Gettel** said 90% of their budget is through General Fund dollars. They have a small allocation of federal dollars through Title 2, 4 and 5. They get some State Special Revenue from State Lands Timber Sales and are involved in the Federal School Food Program like all the other public schools. They are not funded by A and B. That is where the General Fund comes in.

**CHAIRMAN LEWIS** said he sees a major difference between the School for the Deaf and Blind and a K-12 school because as a State

Agency it has access to the Governor's Contingency Pool. The School was given a Grant from that this last year. **Mr. Gettel** said that is correct. The Contingency Fund is really essential to an agency such as theirs because they are open 180 days with children and 185 days for teachers and in the cottage about 235 days. Those are days they have staff on board and those are the only days that staff is paid. To generate vacancy savings is nearly impossible. They have been treated as well or better than any other agency and they appreciate that. He feels the Legislature recognizes the job they do with these special group of children and it can't be done in any other school districts unless they have trained staff and there is a severe shortage of those kinds of people in Montana.

**CHAIRMAN LEWIS** said the reason the bill is here is because it is a fiscal policy issue. They all recognize how valuable the program is. If the Committee adds an exemption to this list, which has been in statute forever, then Mr. Gettel's argument would be, "This is like a K-12 school so should be protected like a K-12 school." He is suggesting they are not like a K-12 school because if they are short they go to the Governor's Contingency Pool and are covered. He is less than convinced that Mr. Gettel has to have this exemption. **Mr. Gettel** said they have the same obligations as any other public schools to the children they serve. Yes, the Contingency Fund is there but there is no guarantee as to what that Contingency Fund would amount to. Before the Special Session was called they were looking at a reduction of about \$170,000 and that puts them at a point where they have to lay people off.

**REP. BUZZAS** asked the Sponsor what his starting point is for this particular bill. Is it the 2000 budget, is it the Governor's budget as presented to the Legislature this session, or is it present law? **REP. MC KENNEY** said this isn't about setting the budget for the School. This bill isn't about the Legislature having the ability to set the budget for the School. What this bill is about is in times of budget reductions when the General Fund gets to 1% of expenditures and the Governor's Office then has the authority to go to State Agencies and make reductions without the Legislature being in session. That is what they are attempting to exempt for the School for the Deaf and Blind. The Legislature can set the budget every session or every Special Session.

**Closing by Sponsor:**

**REP. MC KENNEY** said these are students that have a very special need and they certainly have the opportunity in their lives to

live successful lives and be an example to others. They need some very special education and training.

***{Tape: 1; Side: A; Approx. Time Counter: 0 - 21.4}***

**ADJOURNMENT**

Adjournment: 3:25 P.M.

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REP. DAVE LEWIS, Chairman

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MARY LOU SCHMITZ, Secretary

DL/MS

**EXHIBIT** (aph15aad)